



**BEACON  
LAW CENTRE**  
Lawyers & Notaries Public

### Specializing in

- Real Estate Law
- Business Law
- Wills & Estates

### At Beacon Law, you receive:

- plain language
- up-front approach
- work quoted by the job, not the hour
- prompt service
- friendliness
- value for money

### Offices located in:

- Sidney
- Brentwood Bay
- Royal Oak

*"Fortune favours the prepared mind."*

– Louis Pasteur

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# RAISING THE BAR

*Raising the Bar is a newsletter for clients and friends of Beacon Law Centre intended to maintain a valued business relationship with you at any stage—even after our legal services for you are completed. With Raising the Bar, we hope to keep up the best aspects of our service: meaningful information, trusted advice and outstanding service. In turn, you can pass on our name (and maybe even this newsletter) to someone else who might need our services.*

## Making Your Mortgage Pay Off

Jane was retiring! To prepare, she attended a retirement seminar and noted she'd need a new Will. She'd heard about Beacon Law's Estate Planning Navigator program, so she made an appointment to see her lawyer, Lianne. She'd ensured she'd be looked after in her old age, and would provide for her beneficiaries when she passed on, but during the Navigator review, Lianne and Jane noticed one more thing that it would be wise to look into.

In reviewing her liabilities with Lianne, she learned she could save money by mortgaging her home to pay off her large credit card debts. The interest charges on the cards were over 19%. With the right mortgage product, Jane could get rid of the cards and pay off her debts, instead of barely paying the interest every month. She'd thought of this before, but was nervous about how to arrange a mortgage and what to watch out for. Lianne was able to help. She was familiar with several excellent mortgage specialists who would give Jane great service. Lianne also gave Jane several helpful pointers before she left the appointment. They included these:

- The lowest interest rate does not always mean you've found the best mortgage. Rate differences of a few hundredths of a percent do not amount to large savings (see table below, based on using \$100,000 for a 5-year term, with a 25-year amortization period).
- Does the lender require you to pay for an appraisal of your property? If so, this

expense (around \$300) should be factored into the overall cost of the mortgage.

- Does the lender require you to pay for title insurance to protect it? If so, this expense (usually around \$200) should be factored into the overall cost of the mortgage. Some lenders will accept a survey instead. (*Note: a survey outlines your home on your lot and for mortgage purposes must be signed and dated by a qualified BC Land Surveyor.*)



- Consider the need for flexibility to pay off the mortgage before the term ends. These rights, called 'prepayment privileges' vary greatly. If you might want or need to dispose of your home prior to the end of the term, study these closely before signing. Some mortgages have penalties in the thousands associated with early payment. If this is a concern, consider whether a line of credit product that permits payoff without penalties is best.
- A line of credit is a maximum loan amount made available for a client to use at will, from time to time. Most often, when lines

Interest Rate	Monthly Payment	Principal Paid by end of 5 Years	Interest Paid by end of 5 Years	Balance at end of 5 Years
3.89% annually	\$520	\$13,114	\$18,091	\$86,886
3.87% annually	\$519	\$13,144	\$17,996	\$86,856



Del Elgersma  
Lawyer, Partner



Lianne Macdonald  
Lawyer, Partner



Kelvin Scheuer  
Lawyer, Associate

of credit are set up, lenders require that a mortgage be registered against the home to secure the balance owed to the lender from time to time.

- Ask if the lender has an administrative charge to find out the cost of paying the mortgage off early? Is there an administrative charge to sign the discharge of mortgage form when the mortgage is paid off? These costs vary greatly and should be factored into the overall cost of the mortgage.

- Are you aware of the other costs of obtaining a mortgage? These include legal or notary fees and other fees that arise in connection with the lender's requirements such as insurance binder fees, tax search costs, and in some cases wiring charges for the lender to provide the money.

Armed with this basic information and the knowledge that she would be in good hands, Jane went on to obtain a mortgage that could meet her needs. In a short time, she returned to Beacon Law to sign her paperwork and dispose of those pesky credit cards. The chore list for the peaceful retirement was now complete. Congratulations Jane!



*Beacon Law Centre is honoured to have received the Peninsula 2013 Reader's Choice Award. Readers of the Peninsula News Review selected us as their Number One choice for legal services. A big thank you to all who voted for us.*

### Personnel Profile: Meet...OUR DOGS!

For any of your who has visited our offices, you may have been lucky enough to meet one of our canine members. We recently took our dogs out for a romp in Tulista Park and had quite a time getting them all to pose. As you can see, pets are a very important part of our lives at Beacon Law Centre.



### Community Involvement

The community is what makes Beacon Law Centre a success and we believe in giving back. This quarter we sponsored the **Rotary Club of Sidney by the Sea's** Sunny Shams concert held at Mary Winspear to raise funds to be used for charitable purposes in the community.

Lianne Macdonald is proud to be a member of the Peninsula Business Women organization that recently sponsored **Wear 2 Start** (Victoria), a not for profit organization that outfits women living in poverty for their job interviews. We continue to have our "Jean's Fridays" which supports our World Vision child as well as allows us to "adopt" a family at Christmas that is in need of a little help.



### THREE LOCATIONS

#### SIDNEY

104-9717 Third St.  
Sidney BC V8L 3A3

#### ROYAL OAK

140-4392 West Saanich Rd.  
Victoria BC V8Z 3E9

#### BRENTWOOD BAY

5-7115 West Saanich Rd.  
Brentwood Bay BC V8M 1P7

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Beacon Law Centre (BLC) is a leading south-island boutique law firm. BLC concentrates on real estate, business law, wills and estates. We provide service from offices in Royal Oak, Sidney, and Brentwood Bay. Raising the Bar is one way we keep in touch with clients and friends. We also respect your confidentiality. If you want us to add or remove your name and address from the Raising the Bar mailing list or would like send us a comment or suggestion, send an e-mail to [newsletter@beaconlaw.ca](mailto:newsletter@beaconlaw.ca). Please share the newsletter with others.

**When you recommend Beacon Law Centre, that is our best advertising.**